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E.O. 12958: DECL: 02/19/2018 TAGS: <u>PGOV</u> <u>ELAB</u> <u>ECON</u> <u>ETRD</u> <u>MO</u>

SUBJECT: MOROCCANS STRIKE OVER RISING FOOD COSTS

REF: 07 Casablanca 00198

Classified By: Principal Officer Douglas C. Greene for Reasons $1.4\,(b)$, (d).

 $\P1$. (SBU) Summary: In recent weeks, Morocco has been hit by a number of national strikes protesting rising costs and other issues and it appears there may be more strikes on the horizon. The GOM, in an early attempt to preempt a national general strike, commenced talks with trade union representatives in early February. The February talks concluded with the promise of a second round in March. However, on February 13, the Democratic Federation of Workers (FDT), the Union of Moroccan Workers (UMT) and the Islamic Justice and Development Party's associated National Workers Union of Morocco (UNTM), conducted a strike of public sector employees despite all GOM efforts. This and other recent strikes, including a near month-long strike by Moroccan fishermen and a "rotational strike" of physicians, have created some tension and a growing concern that if price issues are not addressed, Morocco may see more debilitating work stoppages in the near future. End Summery.

To Strike or not to Strike....

- 12. (U) In early February, Morocco's five leading trade unions, led by the FDT, and including the UMT, the UNTM, the Confederation of Democratic Workers (CDT), and the General Union for Moroccan Workers (UGTM), announced a general strike of public workers to be observed on February 13. The unions called for a one day strike to protest rising prices of basic commodities and the high cost of living. Union members are demanding an annual inflation-based pay increase in addition to the two percent pay increase they were promised, during negotiations with former Prime Minister Driss Jettou, in April 2007. Health benefits and pension reform, as well as tax exemptions for the lowest salaried employees, are also on the list of demands. Representatives from the FDT claim that more than 150,000 civil service employees live in poverty.
- 13. (U) In an attempt to circumvent the strike, Prime Minister Abbas El Fassi called for an official dialogue with special representatives of all major unions. The first round of talks was held in the days prior to the February 13 general strike and resulted in the withdrawal of participation of both the CDT and the UGTM from the strike. Mohamed Benjeloun Andaloussi, Secretary General of the UGTM, stated "We have just engaged the government and we need to give them time to respond." The Deputy Secretary General of the CDT, Abdelkader Zayer, agreed and added "We want to see what will come as a result of the dialogue before we engage in a strike." The second

round of talks is scheduled for early March, at which time both unions are hopeful for a satisfactory response from El Fassi.

14. (U) The actual level of participation in the general strike has been difficult to determine. According to the Minister Delegate in Charge of Modernization of the Public Sector, Mohamed Abbou, some departments saw zero participation in the February 13 strike, while others experienced from 30 to 80 percent outages. These numbers conflict significantly with the estimates released by UMT's Deputy Secretary General, Mohamed Hakech, who claimed that close to 80

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percent of all civil servants were off the job.

Other Sectors Making Longer Term Protests

15. (U) In addition to the one day general public sector strike, Morocco has endured a number of other national strikes that have taken a significant toll throughout the country. Moroccan fishermen were contesting the high cost of fuel in addition to a GOM plan to initiate a system of fuel taxation on the industry for the first time. The 20 day strike won the fishermen numerous concessions from the GOM in the end, including the agreement to continue the exemption from the fuel tax and a promise to lower fuel prices for fishermen. In addition, the GOM agreed to develop a plan and implementation strategy to double exports and increase domestic fish consumption by 33 percent. The GOM also promised to create 65,000 new jobs in the sector.

- 16. (U) The Independent Public Service Doctors' Union (SIMSP) launched a "rotating strike" on February 5. The union, the largest in the sector, claims to represent 50 percent of all doctors. The SIMSP decided on a "rotating strike," in which 35 doctors protest in front of the Ministry of Health on a daily basis, in order to maintain patient care. Thus far, the GOM has refused to negotiate with the union, claiming that it does not officially represent the sector. The SIMSP is protesting unfair pay scales, the standards of licensing, the system of promotion and a number of other issues. We were unable to confirm an end date for the on-going strike.
- 17. (U) Another national strike, also in the public health sector, was undertaken February 19-20. The strike, organized by the Democratic Workers Organization (ODT) is protesting the GOM's unwillingness to negotiate with the union on similar issues addressed by the SIMSP. According to representatives of the union, only emergency and intensive care units will be staffed during the strike.

Statistics from the Past

18. (U) The GOM recently released its 2007 statistics on the number of strikes and accords by sector. Numbers show that the strikes in 2007 fell a significant 25 percent compared to 2006. Moreover, the statistics claimed that the number of participants involved in both regional and national strikes fell about a third, from 21,560 in 2006 to 13,988 in 2007. The largest percentage of strikes conducted, according to GOM statistics, was in the agricultural sector with 21.42 percent. The high percentage of work stoppages in agriculture was blamed on a recent increase of activity by unions in the sector, a departure from the past according to government labor inspectors.

Comment

19. (C) Despite the annual decline in strikes, the threat of future actions persists. National unions are calling for strikes and sit-ins on February 26, and February 28-29. These proposed actions are fundamentally driven by mounting prices. The High Commission for Planning announced recently that food prices soared 3.3 percent in the month of January. With similar increases expected in the near term, more strikes are inevitable. However, government responses - like the following from the Minister Delegate in Charge of Public Sector Modernization, Mohamed Abbou, "While the right to strike is guaranteed in the Constitution, it is high time a law be drafted to

regulate strikes in Morocco, "- will not help to soothe the situation and indeed may only exacerbate the problem.

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